

<p align="center"><b>2003-2004</b> <b>ANNUAL REPORT</b></p>
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## SPECIAL REVENUE FUNDS (CONT'D.)

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### Stores Fund

This fund accounts for the purchase and issuance of materials and supplies consumed by departments for general operations.

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#### *Stores Fund*

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent Variance</b>
<i>Revenue</i>	\$ 4,225	\$ 3,274	\$ (951)	(22.5%)
<i>Expenditure</i>	4,380	3,464	916	20.9%
<i>Fund Balance (est. *)</i>	1,745 *	1,970	225	12.9%

The negative revenue variance of \$951,000 (22.5%) reflects lower than budgeted departmental charges resulting from City Council approved budget restrictions. The actual level of revenue collection was a decrease of \$518,000 from the 2002-2003 level of \$3.8 million.

The Stores Fund expenditure variance savings of \$916,000 resulted primarily from lower than expected inventory purchases, personal services savings due to unfilled vacancies, and lower than anticipated expenditures for miscellaneous non-personal/equipment items.

The positive ending fund balance variance (\$225,000) reflects the lower than budgeted departmental charges more than offset by the lower than estimated expenditures for inventory purchases.

It should be noted that the actual budgetary fund balance is \$341,000 lower than the fund balance that is estimated to be reported in the 2003-2004 CAFR. The fund balance figure used for budgetary purposes does not include the change in beginning and ending Materials Inventory balances. This non-budgetary item is, however, incorporated into the CAFR fund balance figure.